Bring Certainty
to Your Revenue Cycle

The Ultimate Guide to Revenue Cycle Assessments
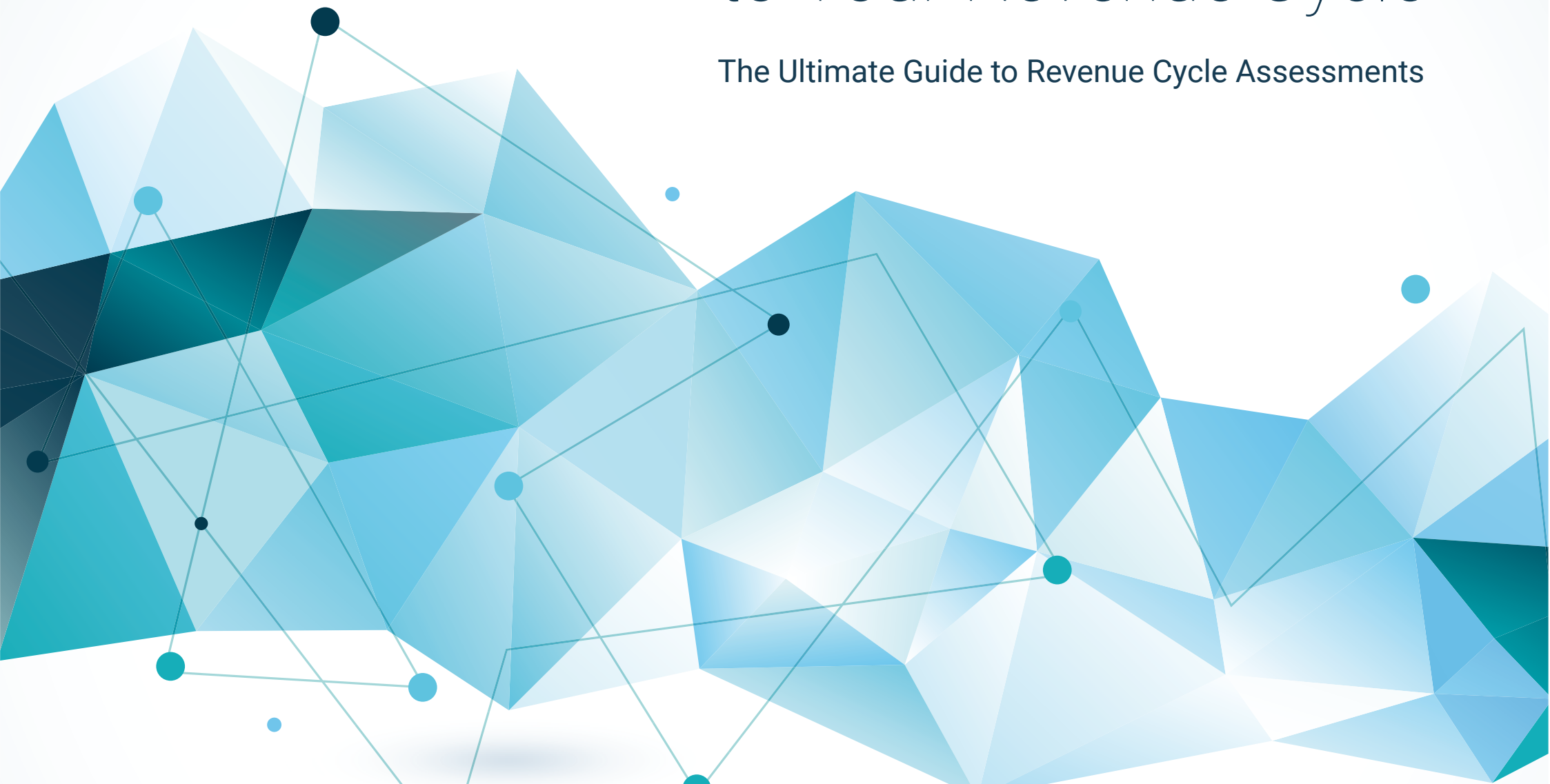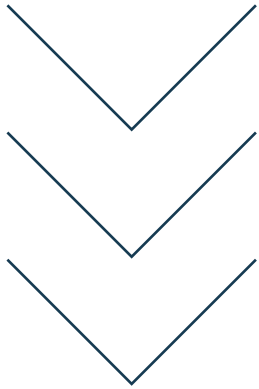
ENSEMBLE
HEALTH PARTNERS

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Are you confident in your organization's revenue cycle performance?
Think again.

Health systems lose up to 5% of revenue each year from hidden revenue cycle issues. That's money you could be leaving on the table without even realizing it. Regularly assessing your revenue cycle performance can help you identify areas for improvement, optimize processes and capture every dollar you deserve.

This guide will help you get the most out of your revenue cycle by navigating the assessment process. Don't miss the opportunity to unlock your revenue potential.

UP TO **5%**

Health systems' annual revenue loss due to insufficient revenue cycle practices.
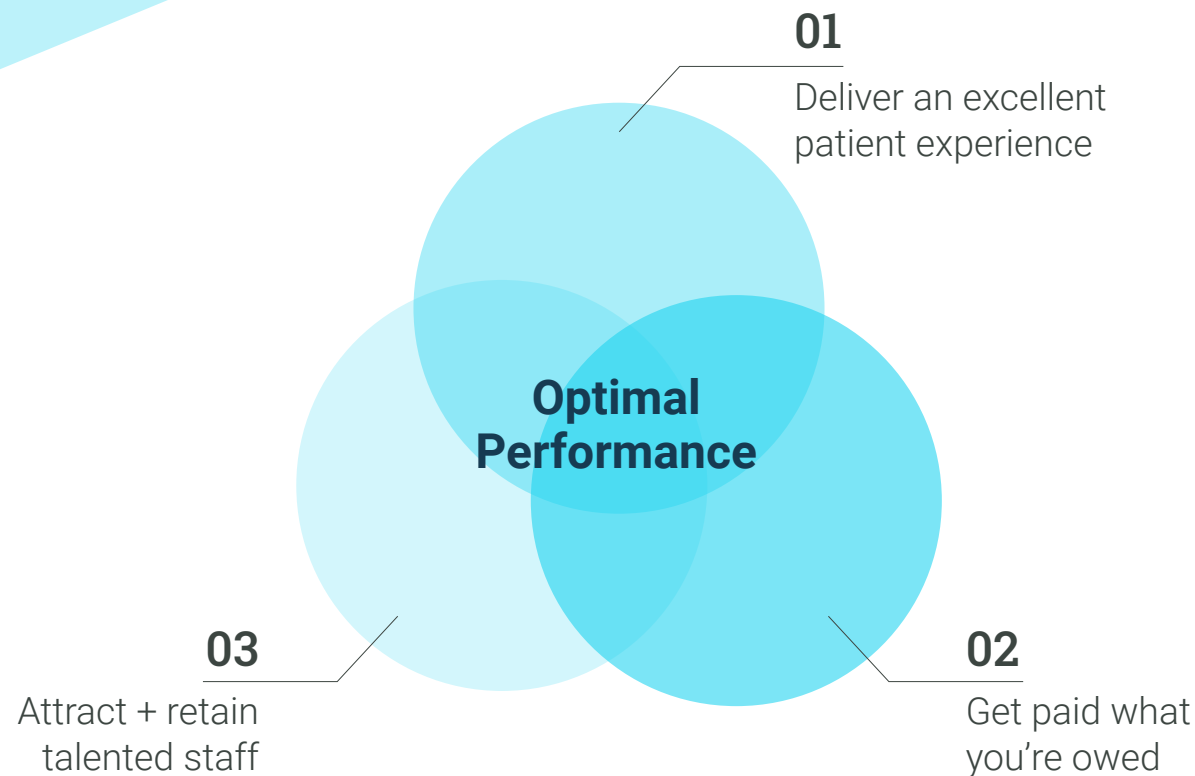
1 Is an assessment right for you?

A revenue cycle assessment can provide valuable insights into your revenue cycle management processes and identify opportunities for improvement.

Benefits
of a Revenue Cycle Assessment

01
Deliver an excellent patient experience

Optimal Performance

03
Attract + retain talented staff

02
Get paid what you're owed

Resolve Patient Experience Detractors

Compare your patient satisfaction survey scores to benchmarks

Identify any gaps preventing optimal patient experience

Eliminate Causes of Revenue Loss

Compare RCM processes to best practice

Review all system configurations for optimization

Increase Employee Satisfaction

Analyze resource allocation against proven models

Evaluate policies, workflows + training resources for efficacy

Ask Yourself
These Questions

TIP: If you answer "No" to any of these questions, it's time for an assessment.

- Have we had an assessment in the past three years?

- Are we tracking critical KPIs?

- Are we confident in our KPI performance?

- Can we afford not to pull every lever possible to strengthen financial performance?

CATEGORY	KEY PERFORMANCE INDICATOR	INDUSTRY BEST PRACTICE
Cash Collections to Net Revenue	Cash Collections	N/A
	Net Revenue (Trailing 30 and 60 Days)	N/A
	Cash Collections % to NPR 30-Day Look Back	≥ 100%
	Cash Collections Variance to NPR 30-Day Look Back	N/A
	Cash Collections % to NPR 60-Day Look Back	≥ 100%
	Cash Collections Variance to NPR 60-Day Look Back	N/A
Unbilled	DNFB + DNFS Days	≤ 4 A/R Days
	Total DNFB + DNFS Dollars (Total Unbilled)	N/A
	DNFS Days	≤ 1 A/R Day
	DNFS Dollars	N/A
	DNFB Days	≤ 4-6 A/R Days
	DNFB Dollars	N/A
Patient Access	Monthly Point-of-Service Collections	N/A
	Point-of-Service Collections % of NPR	≥ 2-3% NPR
	Point-of-Service Collections as % of Patient Cash	≥ 50% PC
Accounts Receivable	Total Insurance A/R Greater Than 90-Days $	N/A
	Total Insurance A/R % Greater Than 90 Days	≤ 25%
	Total Insurance A/R Greater Than 180-Days $	N/A
	Total A/R % Greater Than 180 Days	≤ 5%
	Total Insurance A/R Greater Than 365 Days	N/A
	Total Insurance A/R % Greater Than 365 Days	≤ 2%
Denials	First-Pass Denial Rate	≤ 8%
	Denial Write-offs as % of NPR	≤ 1-2% of NPR
	Denial Write-offs as % of NPR: Overall	1-2% of NPR
Physician Practice Management	Cash Collections	≥ 100%
	Net Revenue (Trailing 60 Days)	
	Cash Collections % to NPR 60-Day Look Back	
	Cash Collections Variance to Net Revenue 60-Day Look Back	
	Collections as % of Gross Revenue	≥ 60%
	Copay Collections as % of Total Copay Office Visits	≥ 95%
	Charge-Entry Lag Period	≤ 1 Business Day
	Appointment No-Show Rate	≤ 2-3%

Critical KPIs
to Track
Financial Health

It's essential to monitor the right financial KPIs to gain insight into your organization's financial health, and make data-driven decisions to drive growth, enhance profitability and ensure long-term sustainability.

Is your revenue decreasing over time, despite maintaining the same level of patient volume? It may be a sign of issues with the revenue cycle management process.

Watch for metrics that are too good to be true. Lower than average denial write-offs are often a sign they're being masked as contractual adjustments.

4

Common Issues

Draining Providers' Bottom Lines

01 Lack of visibility, expertise + specificity to manage denials

02 Decentralized ownership of unbilled management

03 Insufficient pre-service collections

04 Manual coding + documentation review

Lack of visibility, expertise + specificity to manage denials

> Inadequate tracking or trending; no denial mapping or masking denials as contractual adjustments

> No dedicated denials resources; billers perform denial follow-up

> Lack of appeal expertise; clinical teams not engaged

> Lack of appeal specificity; using global appeal letters vs. addressing specific denial reason

Decentralized ownership of unbilled management

> No centralized team tracking or managing unbilled accounts

> There's often confusion of who is responsible — the billing team thinks it's a coding responsibility, the coding team thinks it's a registration issue, etc.

Insufficient pre-service collections

> Misconception that pre-service collections aren't possible because of the type of facility or service provided, like long-term care or pediatric oncology

> Lack of tools + training for front-office staff to effectively discuss financial responsibility with patients or offer ways to collect a balance

Manual coding + documentation review

> Lack of internal coding audit team or a small group of coders + CDI specialists tasked with reviewing accounts

> Manual review of a small sample of accounts to flag errors + extrapolate results

2 Decide on your approach

Choose Your Path

In-House

An in-house assessment can provide cost savings.

Drawbacks:
Potential biases, a limited perspective and resource constraints that can delay or compromise the assessment

Consultant

Partnering with consulting firms can provide an objective assessment.

Drawbacks:
Can be expensive, lack specificity in improvement recommendations and require the client to implement recommendations and ongoing maintenance with limited support

End-to-End Partner

End-to-End Partners offer ongoing support, scalability + RCM expertise.

Drawbacks:
Potential competing priorities from affiliated health systems or narrow focus on billing and collections vs. non-traditional RCM functions, such as patient experience

Which Approach
Is Right for Your Organization?

	In-House	Consultant	End-to-End Partner
Cost	$	$ $ $ $	$ $ $
Level of attention	Very high	Medium (often manage several clients and focus on multiple industries)	High (depending on level of ownership stake by other health systems)
Expertise	Medium	Medium	High
Implementation support	👤	👤👤	👤👤👤
Ongoing support	👤	👤👤	👤👤👤

Questions to Ask

Your Potential RCM Assessment Partner

Ask these key questions to:

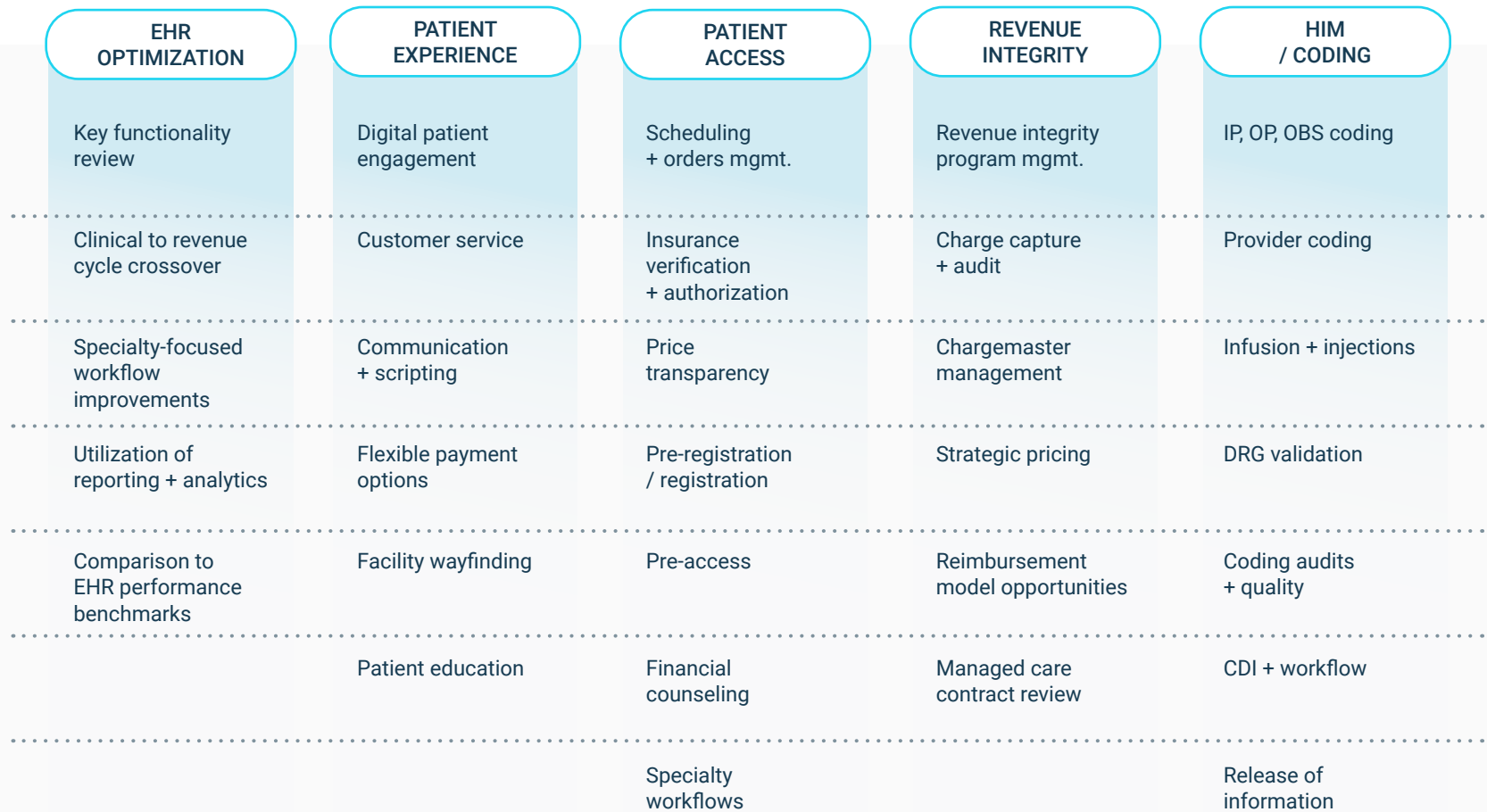**01** Select the right revenue cycle assessment partner
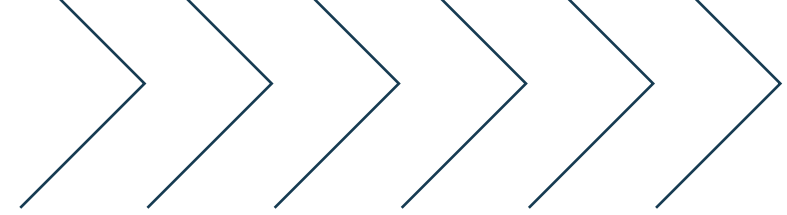
02 Ensure you receive a high-quality assessment

03 Meet your organization's specific needs

> What's your revenue cycle management experience + expertise?

> What's your company's ownership structure?

> What types of assessments do you offer, and how will you tailor the assessment to meet my organization's specific needs?

> What's the scope of the assessment, and how long will it take to complete?

> What are the deliverables of the assessment, and how will the findings + recommendations be presented?

> What's your approach to ongoing support + implementation of recommendations?

> Can you provide references or case studies from similar organizations that have benefited from your assessment services?

> How will you ensure confidentiality and protect sensitive data during the assessment process?

> What's your track record for delivering on commitments and meeting project timelines?

> How will you measure + track the success of the assessment, and what metrics will you use to evaluate the results?

Front to Back:
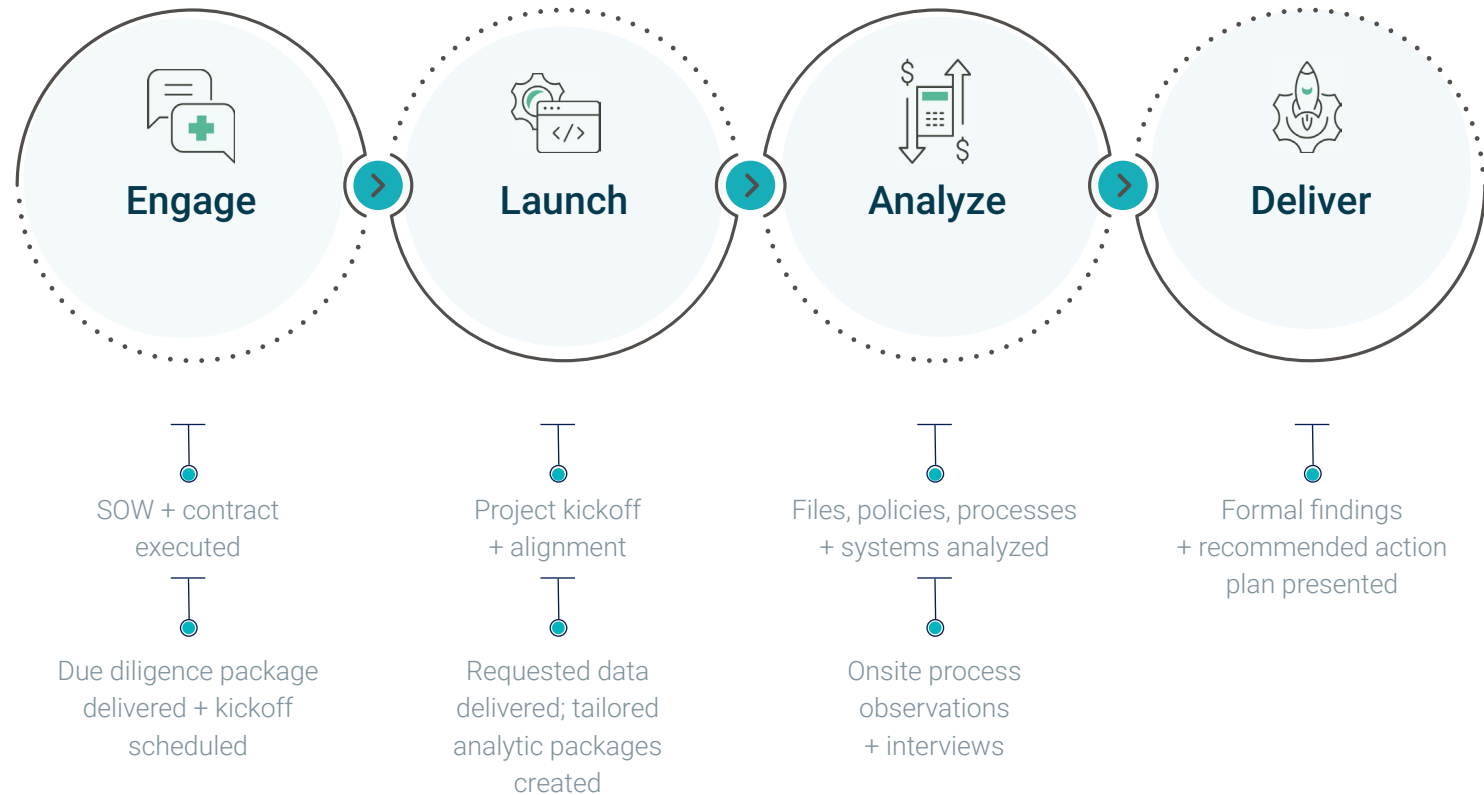## Make Sure Your Entire Revenue Cycle Is Covered

EHR OPTIMIZATION	PATIENT EXPERIENCE	PATIENT ACCESS	REVENUE INTEGRITY	HIM / CODING
Key functionality review	Digital patient engagement	Scheduling + orders mgmt.	Revenue integrity program mgmt.	IP, OP, OBS coding
Clinical to revenue cycle crossover	Customer service	Insurance verification + authorization	Charge capture + audit	Provider coding
Specialty-focused workflow improvements	Communication + scripting	Price transparency	Chargemaster management	Infusion + injections
Utilization of reporting + analytics	Flexible payment options	Pre-registration / registration	Strategic pricing	DRG validation
Comparison to EHR performance benchmarks	Facility wayfinding	Pre-access	Reimbursement model opportunities	Coding audits + quality
	Patient education	Financial counseling	Managed care contract review	CDI + workflow
		Specialty workflows		Release of information

BILLING	ACCOUNTS RECEIVABLE	DENIALS + UNDERPAYMENTS	CASH POSTING	CREDIT BALANCES	CUSTOMER SERVICE
DNFB management	Insurance follow-up + automation	Clinical appeals	Cash performance	Government credit resolution + compliance	Financial assistance processing
Clinical trial + CMS regulatory compliance	Payer performance	InterQual + Milliman exceptions	Daily cash posting + reconciliation	Credit balance resolution automation	Medicaid eligibility
Modifier compliance	Automated document submission	Denial analytics	Unapplied / unposted	Workflow efficiency	Customer service (inbound call center)
Provider-based billing process	Pre-denial resolution	Denial prevention	Cash manager automation	Acute + professional balance transfers	Coverage discovery
Reference lab billing processes	AR support team	Transfer DRGs	Payer enrollments	Refund controls	Patient self-service
Ambulance billing process		Zero-balance + underpayments	ERA conversion		Digital engagement
		Payer dispute management	Paper check tracking		Service recovery

3 Prepare for Success

Typical
Assessment Plan

Engage

Launch

Analyze

Deliver

SOW + contract
executed

Project kickoff
+ alignment

Files, policies, processes
+ systems analyzed

Formal findings
+ recommended action
plan presented

Due diligence package
delivered + kickoff
scheduled

Requested data
delivered; tailored
analytic packages
created

Onsite process
observations
+ interviews

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Key Tips
for a Successful
RCM Assessment

> Ensure executive leadership is aligned on the objective + approach

> Engage your senior revenue cycle leaders so they can be prepared + supportive of the assessment efforts

> Understand what data + system access will be required

> Prepare for necessary time commitment to provide data, system access + stakeholder interviews

> Explain the relationship between acute + physician revenue cycle to your assessment partner

> Plan how you'll share assessment results with leadership + revenue cycle teams to ensure alignment on improvement
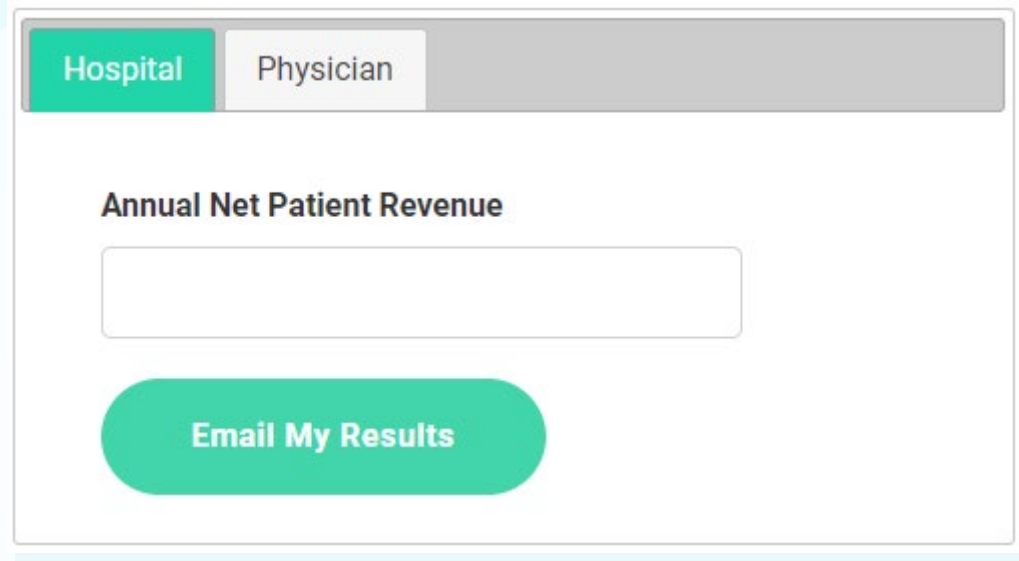
Unlock
Your Revenue Potential

Wondering how much NPR you're leaving on the table?

Find out with a complimentary 60-second self-analysis.

Get Started

Hospital	Physician

Annual Net Patient Revenue

Email My Results

We take a holistic approach to financial health.

Ensemble Health Partners, ranked the #1 revenue cycle managed services company for healthcare organizations, combines certified operators and AI to sustain excellent RCM performance.